ENGENDERING THE CONTRIBUTION OF HUMAN CAPITAL DEVELOPMENT AND KNOWLEDGE MANAGEMENT: WHERE LIES THE CHALLENGE?

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Introduction

Human capital development and the application of knowledge to the production and distribution of goods and services are central to socio-economic development. Namibia as a country in the process of defining its development path would do itself a favour by addressing the challenges of human capital development and knowledge management as it charts strategies for accelerated socio-economic development. **This National Forum on Human Capital Development and Knowledge Management for Economic Growth with Equity** is aimed at sharing experiences on this important issue and to set a stage for an in-depth study of the Namibian situation with the view to devise a strategy for human resource development and knowledge management. It is an acknowledged fact that: " economic growth is as much a process of knowledge accumulation as of capital accumulation" (The World Bank, 2002). The establishment of a knowledge base, comprising of intellectual capabilities, technological capacity, and an innovation infrastructure, is critical to our national efforts of moving Namibia into the stage of an emerging economy. In this regard, we must address the following questions:

- What is the state of Namibia in terms of human capital development and knowledge management?

- What are the challenges Namibia must address in order to create a human capital capability and a system of knowledge management?

- How could Namibia establish a knowledge driven economy.

The Context

Namibia is a country of paradoxes and dichotomies. For example, Namibia is a rich country with poor people. .According to the World Bank (1991): "The wealthiest five percent of Namibians receive more than 70 percent of the country's GDP, while the poorest 55 percent receive only 3 percent." The wealthiest five percent are engaged in the exploitation of natural resources and cheap labour. This minority has used political leverage and cultural capital to curve an economic niche for itself. In this exclusive club they are joined by multi-national companies which exploit our marine resources, mineral riches and cheap labour. A branch plant economy of multi-nationals buttressed by the commercial middle-men characterise an environment of inequity, poverty and deprivation.

This means that the majority of our people are economically disenfranchised. The management of the production and distribution of goods and services continues be in the hands of those who were empowered by the history of racial discrimination and apartheid. The distribution of production and innovation knowledge reside in the head offices of multinationals. There is therefore no infra-structure for knowledge creation, application and dissemination in the country. In such an environment the country continues to be predominantly a producer of raw materials. The economy continues to be a commodity economy. Such an economy has no capacity to create new wealth, or to expand employment opportunities, or to rearrange the redistribution of national income. This explains the wide spread poverty despite the fact that Namibia is a middle income country. This further explains why Namibia is a rich country with poor people. What should be done to turn around this situation?

The Challenge

The challenge facing Namibia has been apthy described by Stefan de Vylder when he observed:

> "Many countries poor in natural resources have chosen to invest heavily in human skills, with better results than countries that have 'mined' their natural resources. In countries which have followed the latter type of strategy, we tend to find rich countries with poor people; in the former categy, poor countries with rich people" (UNDP. 1995)

How could we turn Namibia into a rich country with rich people instead of being a rich country with poor people? In other words, how can we turn the current vicious circle of poverty into a virtuous circle of wellbeing?

The answer to these pertinent questions seems to be found into a development strategy which aims at increasing the national capacity to use knowledge. This means, we must initiate a knowledge based development strategy. Broadly speaking such a strategy will include two elements, namely, human capital development and knowledge management.

The human capital development component will aim at creating an intellectual capacity on which knowledge production and utilization depends (The World Bank: 2002). This means the training of a qualified and adaptable workforce. Such a workforce should be able to generate new knowledge, have a capacity to access existing knowledge and has ability to adapt such knowledge to local circumstances. The role of education in general and that of higher education in particular cannot therefore be over-emphasized. Technological innovations and the diffusion of scientific knowledge and new technologies to a large extent depend on a well-trained labour force. This means that we must now focus on the quality of education. We must retrace our steps

back to early childhood education, primary education, secondary education, vocational and technical education and training all the way up to the higher education level. We must examine our curricula, our teaching methologies, our teacher training programmes, and the capacity of our training institutions and schools. If we are going to create a national knowledge base we must re-look at investments in research and development, science and mathematics education, communication and information technology, knowledge sharing and application. In short we must develop a human capital capacity.

This human capital capacity should be linked to a system of knowledge management. As Peter F. Drucker (1994) correctly observed:

"The comparative advantage that now counts is in the application of knowledge. This means, however, that developing countries can no longer expect to base their development on low wages. They, too must learn to base it on applying knowledge".

This means that we must develop an " absorptive capacity " for acquiring and internalizing technonology and for seeking and applying knowledge (Erik Arnold and Sarah Teather: 2001). As a country we should strive to build up a national capability of scientific and technological competence which will enable our country to absorb technology as well as to apply knowledge. In this regard it is important to address the following issues:

- What scientific and technological absorptive capacity does the country have, if any?
- How is this capacity being used?
- How fast can the country build up or strengthen the necessary absorptive capacity?

This will be the beginning of a strategy of creating a national innovation system which will facilitate innovation and growth. The national innovation system should build up a national technological capability. The technological capability strategy will enable the innovation system to organise knowledge networks for access to externally generated technology and knowledge. The innovation system would further promote the building up of an internal technological capability by establishing research and development facilities, choosing products and appropriate plant and equipment. The internal technological capacity will also enable the innovation system to develop and manage intangible resources such as codified intellectual capital, tacit knowledge, know-how and information resources.

Toward a knowledge driven economy

The creation of an intellectual capacity combined with a technological capability forms the basis for knowledge management for economic growth. The system of knowledge management will promote knowledge sharing, dissemination and application for economic growth. This will put Namibia on the path of developing a knowledge driven economy. The knowledge driven economy shall promote value-added production and manufacturing. In this way the country will create wealth and jobs as well as sustainable livelihoods. The country will then gain from the value chain of production and distribution of goods and services.

The study on human resource development and knowledge management should therefore enable us to develop a strategy of linking the application of knowledge to economic growth. The study should further inform us about the best strategy of

developing an intellectual capacity and a technological capability. The observation of the World Bank (2002) in this regard is instructive: The World Bank observed as follows:

"The ability of a society to produce, select, adopt, commercialize, and use knowledge is critical for sustained economic growth and improved living standards. Knowledge has become the most important factor in economic development." This exercise should clearly recognize this fact. Namibia should therefore create a national capacity and capability for knowledge management.

Notes

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